



CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES

Ernie Fletcher
Governor

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Mark D. Birdwhistell
Secretary

Glenn Jennings
Commissioner

MEMORANDUM

TO: Muhammad Jarrar, Manager
EDS Corporation

THROUGH: John Hoffmann, Assistant Director
Division of Claims Management

THROUGH: Glenn Jennings, Commissioner
Department for Medicaid Services

THROUGH: Carrie Banahan, Deputy Commissioner
Department for Medicaid Services

FROM: Barry Ingram, Director
Hospital and Provider Operations

DATE: May 21, 2007

SUBJECT: Medicare Part B Drug Schedule

Please print the attached provider letter on a single sheet of paper, front and back, and distribute to provider type 39, Renal Dialysis.

Upon notifying DMS when the letter has been mailed, please include the total number of letters mailed to the providers.

Please contact us at 564-4321 should you have any questions.

Attachment

Xc: Ronji Dearborn; Sandeep Kapoor, DMS (electronic version); Kristy Taylor-Standifer, EDS (electronic version); DMS Division Directors: Holly Chesnut, FH (electronic version); Carl Ishmael, DMS (electronic version); Mary Rhodes, FH (electronic version); Yvette Winnette, DMS (electronic version)

GJ/CB/amd00257a





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Mark D. Birdwhistell
Secretary

Glenn Jennings
Commissioner

May 21, 2007

TO: Renal Dialysis (39) Provider Letter A-22

RE: Medicare Part B Drug Schedule

Dear *KyHealth Choices* Provider:

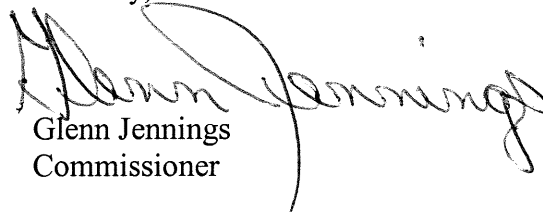
Effective June 1, 2007 the Department for Medicaid Services will be implementing a new payment methodology for the use of drugs when providing services for Kentucky Medicaid members through the Renal Dialysis program. We will continue to follow Medicare's reimbursement methodology for the composite rates. For drugs used that are not part of the composite rates, the following changes will be made:

1. Revenue code 636, when billed with an allowable procedure code, will be reimbursed at the Medicare Part B Drug schedule using the payment limit column times the number of units.
2. Only the attached list of procedure codes will be valid codes billable with revenue code 636.
3. Updates to the procedure code rates will be made on July 1 of each year using the Medicare Part B Drug schedule (third (3rd) quarter publication).
4. Attached is a list of all drug codes that are presently billable under the Renal Dialysis program and the payments that will be effective June 1, 2007. Also, is attached a column showing the number of units to be billed in conjunction with the procedures codes. The units will be multiplied times the rate to give the total reimbursement amount per line item.

If you have any questions concerning these changes, please contact David Dennis at 502-564-6511.

The Department appreciates your commitment to providing the needed healthcare services to members of *KyHealth Choices*.

Sincerely,


Glenn Jennings
Commissioner

Xc: Renal Dialysis (39) Provider Letter A-22

GJ/JH/NG/amd00257

Payment Allowance Limits for Medicare Part B Drugs

Effective 6/1/2007

HCPCS Code	Short Description	HCPCS Code Dosage (UNITS)	Payment Limit
90658	Flu vaccine age 3 & over, im	0.5 ML	\$12.056
90707	Mmr vaccine, sc	0.5 ML	\$38.514
90732	Pneumococcal vaccine	0.5 ML	\$27.028
90740	Hepb vacc, ill pat 3 dose im	40 MCG	\$113.914
90746	Hep b vaccine, adult, im	20 MCG	\$58.435
90747	Hepb vacc, ill pat 4 dose im	40 MCG	\$113.914
J0360	Hydralazine hcl injection	20 MG	\$6.361
J0610	Calcium gluconate injection	10 ML	\$0.390
J0636	Inj calcitriol per 0.1 mcg	0.1 MCG	\$0.507
J0690	Cefazolin sodium injection	500 MG	\$1.339
J0696	Ceftriaxone sodium injection	250 MG	\$2.033
J0713	Inj ceftazidime per 500 mg	500 MG	\$3.989
J0744	Ciprofloxacin iv	200 MG	\$8.287
J0882	Darbepoetin alfa, esrd use	1 MCG	\$3.026
J0886	Epoetin alfa, esrd	1000 UNITS	\$9.479
J0895	Deferoxamine mesylate inj	500 MG	\$15.524
J1030	Methylprednisolone 40 MG inj	40 MG	\$5.220
J1080	Testosterone cypionat 200 MG	200 MG	\$12.707
J1270	Injection, doxercalciferol	1 MCG	\$3.159
J1580	Garamycin gentamicin inj	80 MG	\$1.090
J1644	Inj heparin sodium per 1000u	1000 UNITS	\$0.115
J1720	Hydrocortisone sodium succ i	100 MG	\$1.963
J1756	Iron sucrose injection	1 MG	\$0.366
J1955	Inj levocarnitine per 1 gm	1 GM	\$9.918
J1956	Levofloxacin injection	250 MG	\$7.403
J2060	Lorazepam injection	2 MG	\$1.013
J2322	Nandrolone decanoate 200 MG	200 MG	\$12.820
J2501	Paricalcitol	1 MCG	\$3.810
J2550	Promethazine hcl injection	50 MG	\$2.071
J2765	Metoclopramide hcl injection	10 MG	\$0.488
J2916	Na ferric gluconate complex	12.5 MG	\$4.749
J2997	Alteplase recombinant	1 MG	\$31.670
J3250	Trimethobenzamide hcl inj	200 MG	\$4.971
J3260	Tobramycin sulfate injection	80 MG	\$1.511
J3360	Diazepam injection	5 MG	\$0.635
J3370	Vancomycin hcl injection	500 MG	\$3.233
J3420	Vitamin b12 injection	1000 MCG	\$0.363
Q4081	Epoetin alfa, for esrd on dialysis	100 UNITS	\$0.957